

CHAPTER NO. 389

HOUSE BILL NO. 1343

By Representatives Hargrove, Crider, Baird

Substituted for: Senate Bill No. 896

By Senators Clabough, Cooper, Norris, McNally

AN ACT to amend Tennessee Code Annotated, Title 71, Chapter 5, relative to medical assistance and TennCare.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 71-5-188, is amended by adding the following language at the end of the section:

The study will include the state's assessment of the rates paid to its contracted managed care organizations and behavioral health organizations each year. Included in the analysis will be a review of payments for hospital providers for similar services for comparable populations in other state Medicaid programs. The review will be considered in determining reasonable payment rates for hospital providers, including safety net hospitals providing essential and unduplicated services and sole community provider hospitals.

In addition in a separate section of the report, the study shall include an analysis of actual provider costs. This analysis will be used to determine reasonable costs for comparison with the provider assumptions used in the study. Information used to compile this study shall be public information.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it.

PASSED: May 28, 2003



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES



JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 23rd day of June 2003



PHIL BREDESEN, GOVERNOR